



December 26, 2008

Mr. Mark Leary, Executive Director
California Integrated Waste Management Board
1001 I Street, MS-1
P.O. Box 4025
Sacramento, CA 95812-4025

Dear Mr. Leary:

Final Audit Report—Shasta County, CIWMB Grant Agreements TCA1-05-25 and TCA2-06-9

The Department of Finance, Office of State Audits and Evaluations (Finance), has completed its audit of the following Shasta County (County) Local Government Waste Tire Cleanup and Amnesty Event Grant agreements:

- TCA1-05-25 for the period June 30, 2006 through June 30, 2007
- TCA2-06-9 for the period June 30, 2007 through June 30, 2008

The enclosed report is for your information and use. Because there were no audit findings or issues requiring a response, we are issuing the report as final. In accordance with Finance's policy of increased transparency, the final report will be placed on the Finance website.

We appreciate the assistance and cooperation of the County's staff. If you have any questions regarding this report, please contact Kimberly Tarvin, Manager, or Zach Stacy, Supervisor, at (916) 322-2985.

Sincerely,

Original signed by:

Janet I. Rosman, CPA
Assistant Chief, Office of State Audits and Evaluations

Enclosure

cc: On following page

cc: Mr. Russ Mull, Director, Department of Resource Management, Shasta County
Ms. Ronni Harman, Staff Services Manager, Shasta County
Ms. Shirley Willd Wagner, Manager, Financial Assistance Division, California Integrated
Waste Management Board
Ms. Susan Villa, Acting Branch Manager, Administration and Finance Division, California
Integrated Waste Management Board
Mr. George Mendoza, Senior Audit Manager, Administration and Finance Division,
California Integrated Waste Management Board
Mr. Wes Mindermann, Supervisor, Solid Waste and Tire Clean-Up Programs, California
Integrated Waste Management Board
Ms. Diane Nordstrom-Lamkin, Grant Manager, Closure and Financial Assurance Division,
California Integrated Waste Management Board

GRANT AUDIT

Shasta County
Grant Agreements

TCA1-05-25 and
TCA2-06-9

Prepared By:
Office of State Audits and Evaluations
Department of Finance

093910052DDR

December 2008

MEMBERS OF THE AUDIT TEAM

Kimberly A. Tarvin, CPA
Manager

Zach Stacy
Supervisor

Staff

Renato Lim

This report is also available on our website at <http://www.dof.ca.gov>

You can contact our office at:

Department of Finance
Office of State Audits and Evaluations
300 Capitol Mall, Suite 801
Sacramento, CA 95814
(916) 322-2985

Background

California generates over 40 million waste tires annually. The stockpiling and illegal dumping of waste tires creates a potential threat to public health. In 1989 the Legislature enacted the California Tire Recycling Act (Act) to address the need to manage these waste tires. The Legislature authorized the California Integrated Waste Management Board (Board) to carry out the Act's program.

The Board awarded Shasta County (County) the following grants:

| Grant Name | Grant Number | Audit Period | Awarded | Claimed |
|--|--------------|-------------------|----------|----------|
| Local Government Waste Tire Clean-Up and Amnesty Event | TCA1-05-25 | 6/30/06 – 6/30/07 | \$75,000 | \$35,241 |
| Local Government Waste Tire Clean-Up and Amnesty Event | TCA2-06-9 | 6/30/07 – 6/30/08 | \$75,000 | \$56,220 |

Scope

In accordance with an interagency agreement, the Department of Finance, Office of State Audits and Evaluations, conducted a compliance audit of the County's Local Government Waste Tire Cleanup and Amnesty Event Grants listed above. The objective of the audit was to determine whether the County's grant revenues and expenditures were in compliance with applicable laws, regulations, and grant requirements. In order to design adequate procedures to evaluate fiscal compliance, we obtained an understanding of the internal controls.

We conducted our audit in accordance with *Government Auditing Standards*, issued by the Comptroller General of the United States. The County is responsible for ensuring accurate financial reporting and compliance with applicable laws, regulations and grant requirements. We did not assess the efficiency or effectiveness of program operations. The Board is responsible for evaluating the efficiency and effectiveness of the program operations.

Methodology

To determine whether grant revenues and expenditures were in compliance with applicable laws, regulations and the grant requirements, we performed the following procedures:

- Conducted desk review of documents
- Interviewed key personnel
- Examined the grant files
- Reviewed grantee's accounting records

- Determined whether a sample of expenditures were:
 - Allowable
 - Grant related
 - Incurred within the grant period
 - Supported by accounting records
 - Properly recorded
 - Were not double billed to other Board grants

The results of our audit are based upon our review of documentation and other information made available to us. The audit was conducted from November through December 2008.

Results

Based on the audit procedures performed, the County met the fiscal requirements for the grant agreement and there were no findings or questioned costs. The awarded, claimed, audited, and questioned amounts are presented in the table below.

| Grant Number TCA1-05-25 For the Period June 30, 2006 through June 30, 2007 | | | | |
|---|----------------|----------------|----------------|-------------------|
| Category | Awarded | Claimed | Audited | Questioned |
| Disposal | \$75,000 | \$35,241 | \$35,241 | \$0 |
| Total | \$75,000 | \$35,241 | \$35,241 | \$0 |

| Grant Number TCA2-06-09 For the Period June 30, 2007 through June 30, 2008 | | | | |
|---|----------------|----------------|----------------|-------------------|
| Category | Awarded | Claimed | Audited | Questioned |
| Disposal | \$75,000 | \$56,220 | \$56,220 | \$0 |
| Total | \$75,000 | \$56,220 | \$56,220 | \$0 |

This report is intended for the information and use of the City and the Board and is not intended to be and should not be used by anyone other than the specified parties. However, this restriction is not intended to limit the distribution of this report, which is a matter of public record.